GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:3592
ANSWERED ON:21.12.2015
Blending of Ethanol
Charitra Shri Ram;Chinnaraj Shri Gopalakrishnan;M. Smt. Vasanthi;Sonkar Shri Vinod Kumar;Udhayakumar Shri M.

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government proposes to use ethanol bended petrol and bio-diesel for vehicles in the country;
(b) if so, the use of ethanol blended petrol and bio-diesel in India along with proportionate sale of bio-fuel mandatory to bulk consumers such as railways, shipping and road transport corporations;
(c) whether the Government proposes to launch any programme to promote and encourage use of ethanol blending in petrol and bio-diesel in the country;
(d) if so, policy of the Government for blending of ethanol/bio-diesel in petroleum products along with the steps taken for sufficient availability of ethanol/bio-diesel in the country;
(e) the ethanol offered and procured by Oil Marketing Companies to ensure the implementation of Ethanol Blending Programme (EBP) across the country particularly in States having lack of sugarcane;
(f) whether the Government plans to sell ethanol mixed petrol through distribution from various petrol pumps across the country and if so, the details thereof and the time by which ethanol mixed petrol is likely to be available in the country/State/UT-wise; and
(g) the achievement made by the Government so far to blend permissible limit of ethanol and use of bio-diesel in the country in order to reduce prices of petrol/diesel in the country along with any plan to monitor the production of ethanol blended petrol to meet out the BIS standard?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (INDEPENDENT CHARGE)
(SHRI DHARMENDRA PRADHAN)
(a) to (d) : The Government, through Oil Marketing Companies (OMCs), has been implementing Ethanol Blended Petrol (EBP) Programme since 2003. Under this programme, OMCs sell ethanol blended petrol with percentage of ethanol upto 10% as per BIS specification to achieve 5% ethanol blending across the country as a whole. In order to improve the availability of ethanol, the Government on 10.12.2014, inter-alia, decided to fix the delivered price of ethanol in the range of Rs.48.50 per litre to 49.50 per litre, depending upon the distance of distillery from the depot/installation of the OMCs, inclusive of all central and statutory levies, transportation cost etc, which would be borne by the ethanol suppliers. Further, ethanol produced from other non-food feedstocks besides molasses, like cellulosic and ligno cellulosic materials including petrochemical route, has also been allowed to be procured subject to meeting the relevant BIS Standards.
Under Bio-diesel Purchase policy, OMCs would purchase bio-diesel, meeting the prescribed BIS standard, at a uniform price, as may be decided by the OMCs from time to time, for blending with High Speed Diesel (HSD) to the extent of 5%, at identified 20 purchase centres across the country.
Government has issued notification on 10th August, 2015 to allow the sale of Bio-diesel (B100) by private manufacturers to bulk consumers like Railways, State Transport Corporations and other bulk consumers.
(e) : During the sugar year 2014-15, till 30th November, 2015, against the requirement of 128.17 crore litres of ethanol, Oil Marketing Companies (OMCs) were able to procure and blend 66.93 crore litres of ethanol with petrol.
(f) & (g) : Ethanol blended Petrol is being sold by Public Sector OMCs through their retail outlets. Their retail selling prices are at par with the prevailing retail selling prices of Petrol and Diesel respectively.
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